

Employee Benefit Plan Assistance from the U.S. Department of Labor

The Pension Protection Act of 2006 (PPA) made a number of changes and clarifications to Federal employee benefit law. Under one provision, employee benefit plans (such as retirement and health benefit plans) sponsored by commercial businesses, such as casinos, operated by Native American tribal communities now are subject to the Employee Retirement Income Security Act (ERISA).

The U.S. Department of Labor's Employee Benefits Security Administration (EBSA) assists employers and plan service providers in understanding and complying with their responsibilities under the law related to their benefit plans. EBSA also educates employees about the importance of saving for retirement as well as their rights and responsibilities under retirement and health benefits plans.

Offering an employee benefit plan can be one of the most challenging, yet rewarding, decisions an employer can make. Administering a plan and managing its assets requires certain actions and involves specific responsibilities.

To meet their responsibilities as plan sponsors, employers need to understand some basic rules under ERISA. ERISA sets standards of conduct for those who manage an employee benefit plan and its assets. These individuals are called fiduciaries.

To help create awareness and understanding about the basic fiduciary responsibilities when operating a retirement plan, EBSA sponsors a compliance assistance campaign - "Getting It Right - Know Your Fiduciary Responsibilities". This Fiduciary Education Campaign includes steps for avoiding the most common problems EBSA encounters in its enforcement activities.

As part of "Getting It Right", the Campaign emphasizes the obligation of plan sponsors and other fiduciaries to:

- Understand the terms of their plans;
- Select and monitor service providers carefully;
- Make timely contributions to fund benefits;
- Avoid prohibited transactions; and
- Make timely disclosures to workers and their beneficiaries and reports to the government.

EBSA's Fiduciary Education Campaign combines free seminars around the country, webcasts, an interactive web site as well as a dedicated web site that includes educational publications and tools on topics including:

- *Meeting Your Fiduciary Responsibilities* provides an overview of the basic fiduciary responsibilities applicable to retirement plans under the law.
- *Understanding Retirement Plan Fees and Expenses* helps retirement plan sponsors better understand and evaluate their plan's fees and expenses. While the focus is on fees and expenses involved with 401(k) plans, many of the principles discussed in the booklet also will have application to all types of retirement plans.
- The *Reporting and Disclosure Guide for Employee Benefit Plans* is a quick reference tool for certain basic reporting and disclosure requirements under ERISA.
- Additional publications provide tips to assist plan officials in selecting and monitoring auditors, pension consultants, and other service providers to employee benefit plans.

The Fiduciary Education Campaign also includes education and outreach on the responsibilities in operating a health benefit plan. EBSA co-sponsors with state insurance commissioners health plan compliance seminars that cover fiduciary responsibilities as well as a wide range of health benefit laws (COBRA, HIPAA, FMLA, USERRA and state law). EBSA is joined by the Internal Revenue Service, the U.S. Department of Health and Human Services, as well as the Department of Labor's Wage and Hour Division and Veterans' Employment and Training Service to provide this comprehensive seminar. Upcoming seminars also will include information on the COBRA premium reduction provisions in the American Recovery and Reinvestment Act of 2009. In addition to the publications noted above, the Campaign includes the following additional publication for health plan sponsors:

- *Understanding Your Fiduciary Responsibilities Under a Group Health Plan* provides an overview of the basic fiduciary responsibilities applicable to health benefit plans under the law and the interaction with state and other federal health laws.

There is also information on complying with the other health provisions under ERISA such as COBRA and HIPAA. EBSA has a compliance assistance for health plans web page as well as a dedicated web page for the COBRA premium reduction provisions under the American Recovery and Reinvestment Act of 2009 at www.dol.gov/COBRA.

EBSA also has two voluntary correction programs to help plan officials in meeting ERISA's requirements. The Voluntary Fiduciary Correction Program (VFCP) affords plan sponsors and officials the chance to self-correct delinquent participant contributions and 18 other violations prohibited under ERISA and avoid an EBSA enforcement action. The Delinquent Filer Voluntary Compliance Program (DFVCP) assists late or missed Annual Return/Report Form 5500 filers in coming up to date with corrected filings and avoiding potentially higher civil penalty assessments.

For more information, visit EBSA's website at www.dol.gov/ebsa. You can subscribe to the website's homepage for new information added to the website as well as notice of upcoming seminars and workshops for retirement and health plan sponsors in your area. If you have questions or want to request copies of publications, contact EBSA by calling toll free 1-866-444-3272 (EBSA) or electronically at www.askebsa.dol.gov.